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Bureau of Consumer Financial Protection

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
SOUTHERN DIVISION**

BUREAU OF CONSUMER FINANCIAL
PROTECTION,

Plaintiff,

v.

FUTURE INCOME PAYMENTS, LLC; FIP,
LLC; CASH FLOW INVESTMENT PARTNERS
LLC; PENSION ADVANCE LLC;
BUYSELLANNUITY INC.; CASH FLOW
INVESTMENT PARTNERS EAST LLC; CASH
FLOW INVESTMENT PARTNERS MIDEAST
LLC; LUMP SUM PENSION ADVANCE
ATLANTIC LLC; LUMP SUM PENSION
ADVANCE SOUTHEAST LLC; LUMP SUM
SETTLEMENT WEST LLC; PAS CALIFORNIA
LLC; PAS GREAT LAKES LLC; PAS
NORTHEAST LLC; PAS SOUTHWEST LLC;
PENSION ADVANCE CAROLINAS LLC;
PENSION ADVANCE MIDWEST LLC;
PENSION LOANS SOUTH LLC; SCOTT
KOHN; and DOES 1-100,

Defendants.

Case No.

NOTICE OF RELATED CASES

1 The Bureau of Consumer Financial Protection (Bureau) provides notice under
2 Local Rule 83-1.3.1 that this action is related to the following civil action previously
3 before this Court: *Consumer Financial Protection Bureau v. Future Income Payments,*
4 *LLC*, 8:17-cv-00303-JLS-SS, filed on February 21, 2017, and closed on May 17, 2017.
5 The actions arise from the same or closely related transactions and would entail the
6 substantial duplication of labor if heard by different judges.

7 **Factual Statement**

8 This action and the previous related action involve the same entities and concern
9 the same conduct. The previous action was a petition to enforce a civil investigative
10 demand (CID) that the Bureau issued to Future Income Payments, LLC seeking
11 information “to determine whether financial-services companies or other persons have
12 engaged or are engaging in unlawful acts and practices in connection with offering or
13 providing extensions of credit . . . related to transactions involving pensions, annuities,
14 settlements, or other future-income streams in violation of §§ 1031 and 1036 of the
15 Consumer Financial Protection Act of 2010 [CFPA], 12 U.S.C. §§ 5531, 5536, or any
16 other Federal consumer-financial law.” The CID sought information from Future Income
17 Payments, LLC, formerly known as Pensions, Annuities, and Settlements, LLC, and any
18 parent companies, wholly or partially owned subsidiaries, operations under assumed
19 names, affiliates, officers, owners, and agents, among others.

20 The complaint in this action is against Future Income Payments, LLC, along with a
21 variety of related entities that together form a common enterprise (FIP), and Scott Kohn.
22 The complaint alleges that FIP offers consumers lump-sum payments in exchange for
23 periodic payments from pensions or other future-income streams, and represents to
24 consumers, among other things, that these lump-sum payments are not “loans,” that there
25 is no applicable interest rate, and that the cost of the lump-sum advance is less than that
26 of potential alternative sources of funds, such as credit cards. The complaint further
27 alleges that, in fact, FIP’s product is a loan (an extension of credit), and is more costly
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1 than alternative financial products to which FIP draws comparisons and that FIP
2 misrepresents material aspects of their product in violation of the CFPA, 12 U.S.C. §
3 5536(a)(1)(B), and other Federal consumer financial protection law.

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5 Dated: September 13, 2018

Respectfully submitted,

6 /s/ Alanna B. Carbis

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